The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Riley Boudreaux.

## **DIGEST**

Claitor (SB 393)

<u>Proposed law</u> creates the Shenandoah Estates Crime Prevention and Improvement District in East Baton Rouge Parish.

<u>Proposed law</u> creates the district as a political subdivision of the state as defined in the Constitution of Louisiana and defines its boundaries as Filings 1 through 30 of the Shenandoah Estates Subdivision in East Baton Rouge Parish for the purpose of promoting and encouraging security in the area included within the district and promoting and encouraging the beautification and overall betterment of the district.

The district is governed by a 9-member board of commissioners composed as follows:

- (1) The President of the Shenandoah Estates Homeowners' Association, Inc.
- (2) Four members appointed by the board of directors of the association.
- (3) One appointed by the mayor-president of EBR from a list of nominations submitted by the association.
- (4) One member appointed by the member of the governing authority of EBR whose council district encompasses all or the greater portion of the area of the district from a list of nominations submitted by the association.
- One member appointed by the member of the Louisiana House of Representatives whose district encompasses all or the greater portion of the area of the district.
- (6) One member appointed by the member of the Louisiana Senate whose district encompasses all or the greater portion of the area of the district.

All members of the board must be residents of the district. They serve 4-year terms except for the President of the association who is ex officio. Two members serve initial terms of one year; two serve initial terms of 2 years; two serve initial terms of 3 years; and two serve initial terms of 4 years, as determined by lot at the first meeting of the board. Board members are eligible for reappointment. The members serve without compensation but must be reimbursed for their reasonable out-of-pocket expenses directly related to the governance of the district.

The board must adopt such rules and regulations as it deems necessary or advisable for conducting its business affairs. Rules and regulations of the board relative to the notice and conduct of meetings must conform to applicable law, including, if applicable, R.S. 42:4.1 et seq.,

relative to open meetings. It must hold regular meetings as must be provided for in the bylaws and may hold special meetings at such times and places within the district as may be prescribed in the bylaws.

<u>Proposed law</u> grants the district, acting through its board, the authority to perform or have performed any function or activity necessary or appropriate to carry out the purposes of the district or for the overall betterment of the district.

The governing authority of EBR Parish is authorized to impose and collect a parcel fee within the district in an amount that is requested by the board. The fee must be a flat fee per "improved parcel" of land not to exceed \$150 per year for each "improved parcel," starting with \$50 for the first calendar year. "Parcel" is defined as a lot, a subdivided portion of ground, an individual tract, or a "condominium parcel" as defined in R.S. 9:1121.103. The owner of each parcel shall be responsible for payment of the fee. However, no fee can be imposed upon any parcel whose owner qualifies for and receives the special assessment level provided by Const. Art. VII, Sec. 18(G)(1). The fee is collected at the same time and in the same manner as property taxes.

The fee of \$50 for the first calendar year, subject to change thereafter by the board, not to exceed \$150 per year can be imposed only after approval by the electorate in the district in an election held at the same time as a regularly scheduled election in EBR. The fee expires in 5 years, but may be renewed if approved by voters of the district. If renewed, the term of the imposition of the fee shall be as provided in the proposition authorizing such renewal, not to exceed 8 years.

The proceeds of the fee must be used solely and exclusively for the purpose and benefit of the district; however, the EBR Sheriff may retain one percent of the amount collected as a collection fee.

The district is also specifically given the authority to provide or enhance security patrols in the district, to provide improved lighting, signage, or matters relating to the security of the district, to provide for beautification of and improvements for the district, or to provide generally for the overall betterment of the district. The purpose and intent of the proposed law is stated to be that any additional security patrols, public or private, or any other security or other services or betterments provided by the district is supplemental to and not in lieu of personnel and services to be provided in the district by the state, EBR, or their departments or agencies or by other political subdivisions.

The district may also procure and maintain liability insurance against any personal or legal liability of a board member that may be asserted or incurred based upon his service as a member of the board or that may arise as a result of his actions taken within the scope and discharge of his duties as a member of the board.

The board is required to adopt an annual budget in accordance with the Local Government Budget Act, R.S. 39:1301 et seq., and the district must be subject to audit by the legislative auditor pursuant to R.S. 24:513.

Proposed law authorizes the dissolution of the district if a majority of the area covered by the district becomes included in another district that serves similar purposes but includes additional parcels of property adjacent to the district, if approved by the affirmative vote of not less than 5 members of the board. If the district is so dissolved, the funds of the district that relate to the portion of the district that is included in the new district, together with any other funds collected by EBR that relate to such portion of the district, must be transferred to the new district to be used for purposes of the new district. The remaining portion of funds, if any, are to be transmitted by the board to EBR Parish and such funds must be used only for law enforcement, security, improvement, and beautification purposes of the area that was formerly within the district but is not included in the new district. If the district is dissolved, authority for the imposition of the parcel fee ceases.

<u>Proposed law</u> requires the district to indemnify its officers and board members to the fullest extent permitted by R.S. 12:227, as fully as if the district were a nonprofit corporation governed thereby, and as may be provided in the district's bylaws. Protects board members or officers from liability for monetary damages for breach of his duty to any individual who resides, owns property, visits, or otherwise conducts business in the district, provided that the foregoing does not eliminate or limit the liability of a board member or officer for any of the following:

- (1) Acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law.
- (2) Any transaction from which he derived an improper personal benefit.

To the fullest extent permitted by R.S. 9:2792 et seq., including R.S. 9:2792.1 through 2792.9, provides that a person serving the district as a board member or officer is not individually liable for any act or omission arising out of the performance of his duties.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 33:9097.8)